SIKA AG & ORS v. NIPPON PAINT (MALAYSIA) SDN BHD

HIGH COURT MALAYA, KUALA LUMPUR
AZLAN SULAIMAN JC
[CIVIL SUIT NO: WA-22IP-64-10-2021]
22 DECEMBER 2023

Abstract – *(i) For a trademark infringement claim to succeed, a claimant must prove that: (a) the claimant owned a valid trademark; (b) the trademark was used in the course of trade without the claimant's consent; and (c) there was an unlawful use of the claimant's trademark which caused deception/confusion among prospective customers; (ii) To prove a claim of passing off, a claimant must: (a) establish a goodwill or reputation in the goods or services it provides; (b) demonstrate a misrepresentation by the tortfeasor which is likely to lead the public to believe that the goods it provided were those of the claimant's; and (c) establish that damage had or would likely be caused; (iii) Determining a claim for copyright infringement involves a two-stage process, namely: (a) whether copyright subsisted in the claimant's work; and (b) if so, whether the alleged infringer's works infringed the copyright of the claimant's works; (iv) Four ingredients for establishing unlawful interference with trade are: (a) interference with the claimant's trade or business; (b) unlawful means; (c) intention to injure the claimant; and (d) that the claimant is injured.*

INTELLECTUAL PROPERTY: *Trademark – Infringement – Claim for – Physical appearance and use of marks – Whether marks in question identical or similar to registered mark allegedly infringed – Whether claimants owned valid trademark – Whether trademark used in course of trade without claimants' consent – Whether unlawful use of claimants' trademark caused deception/confusion among prospective customers – Whether there was infringement – Trademarks Act 2019*

INTELLECTUAL PROPERTY: *Passing off – Goods – Claim for – Whether goodwill or reputation in goods or services provided established – Whether there was misrepresentation by counterclaimant which was likely to lead public to believe that goods it provided were those of claimants' – Whether there were/would likely be damages*

INTELLECTUAL PROPERTY: *Copyright – Infringement – Claim for – Whether copyright subsisted in claimants' works – Whether counterclaimant's works infringed copyright of claimants' works – Copyright Act 1987*

INTELLECTUAL PROPERTY: *Trademark – Unlawful interference – Whether there was interference with claimants' trade or business – Whether there was unlawful means – Whether there was intention to injure claimants – Whether claimants injured – Whether there was unlawful interference with trade*

A ***TORT:*** *Passing off – Goods – Claim for – Whether goodwill or reputation in goods or services provided established – Whether there was misrepresentation by tortfeasor which was likely to lead public to believe that goods it provided were those of claimants' – Whether there were/would likely be damages*

B ***TORT:*** *Unlawful interference – Claim for – Whether there was interference with claimants' trade or business – Whether there was unlawful means – Whether there was intention to injure claimants – Whether claimants injured – Whether there was unlawful interference with trade*

C The plaintiffs' claimed against the defendant for damages and other reliefs for: (i) infringement of trademark ('SIKALATEX mark'); (ii) passing off confined to the defendant's goods with the 'LATEX 118' label in the yellow jerrycans with the red cap; (iii) copyright infringement in (a) the product description 'Water Resistant Polymer Bonding Agent and Mortar-Strengthening Additive' ('plaintiffs' product description'); and (b) the product data sheet ('plaintiffs' PDS'); and (iv) unlawful interference with D trade. Apart from disputing all of the plaintiffs' claims, the defendant counterclaimed against the plaintiffs: (i) for various declarations; (ii) to invalidate the SIKALATEX mark; (iii) for damages and other reliefs for unlawful interference with trade; and (iv) further and/or in the alternative, a declaration that the plaintiffs' products (including get-up) and the E defendant's products (including get-up) shall be permitted and continue to co-exist in the market or course of trade without any further interference from the plaintiffs ('middle ground'). The defendant contended that the SIKALATEX mark should be invalidated because: (i) it was devoid of any distinctive character as it was merely a combination of the plaintiffs' house F mark SIKA with a generic word 'latex'; (ii) it consisted exclusively of a sign or indication which may serve in trade to designate the kind, quality, intended purpose and other characteristics of the goods, namely 'concrete and mortar admixture; bonding agent for concrete; all included in class 1' cover goods synonymous to polymer emulsion or later and were or had G become customary in the current language of the territory or in the *bona fide* and established practices of the trade; (iii) it was contrary to law as it consisted of the generic word 'latex'; and (iv) the Registrar of Trademarks had erroneously failed to disclaim the generic word 'latex' in the first plaintiff's mark SIKALATEX during registration, which would have disallowed the plaintiffs from any exploitation or monopolisation of the H generic word 'latex'.

Held (allowing plaintiffs' claim in part, *ie*, on defendant's infringement of plaintiffs' copyright in plaintiffs' product data; dismissing defendant's counterclaim):

I **(1)** Sections 48 and 56 of the Trademarks Act 2019 ('TMA') clearly envisaged that only the registered proprietor of a trademark has the right to bring an action and to obtain relief for the infringement of his trademark. In other words, the right to bring an action and to obtain

relief for infringement of a trademark is exclusive to its registered proprietor. The SIKALATEX mark which was the subject matter of trademark infringement and invalidation here was successfully registered in 2018 by the first plaintiff. Consequently, only the first plaintiff as the registered proprietor of the SIKALATEX mark had the requisite *locus standi* to bring the claim for trademark infringement against the defendant. Likewise, the defendant's counterclaim for invalidation of the SIKALATEX mark would therefore only be against the first plaintiff. (paras 9-12)

(2) Section 47(1) of the TMA made it clear that only an aggrieved person may apply for the registration of trademark to be declared invalid by the court. The defendant was indeed an aggrieved person under s. 47(1) of the TMA as (i) by the trademark infringement action, the plaintiffs essentially contended that the defendant, by using the sign with the combination of words and numerals 'LATEX 118' ('LATEX 118 mark') infringed the first plaintiff's SIKALATEX mark. As the defendant used the LATEX 118 mark as a trade mark and had a genuine and present intention to continue to use this mark as a trade mark in the course of its trade, then it was rightly aggrieved by the plaintiffs' SIKALATEX mark; and (ii) the defendant was using the LATEX 118 mark in a trade which was similar to the trade in which the first plaintiff used the SIKALATEX mark. (paras 14, 18 & 19)

(3) The SIKALATEX mark had been correctly and lawfully entered into the Register of Trademarks and should not be invalidated. The SIKALATEX mark, as a whole, was distinctive and was not common to the trade or business of the goods for which it had been registered, *ie*, concrete and mortar admixture, bonding agent for concrete. The SIKALATEX mark was also distinctive of the goods registered as it was uniquely coined by the plaintiffs for use in relation to its goods. A number of the plaintiffs' goods were prefixed with the word 'SIKA', which was also part of their corporate name, and it was unlikely that any other traders without any improper motive would want to or have any desire to use the SIKALATEX mark, particularly the word 'SIKA', for their own concrete and mortar admixture, bonding agent for concrete. The SIKALATEX mark was surely distinctive of the plaintiffs. Lastly, the SIKALATEX mark was not descriptive and did not serve in trade to designate the kind, quality, intended purpose and other characteristics of concrete and mortar admixture, bonding agent for concrete. Consequently, the defendant's counterclaim to invalidate the SIKALATEX mark was dismissed with costs. (paras 24-28)

(4) The defendant was not infringing the SIKALATEX mark. Firstly, s. 54 of the TMA requires that the alleged infringing mark is either identical or similar to the registered mark that is infringed. The LATEX 118

mark was neither identical nor similar to the SIKALATEX mark. The difference between the two was stark. The only thing they had in common was the word 'Latex' and even then, the first plaintiff's trademark combined that word with its house-mark 'SIKA'. Secondly, the LATEX 118 mark used the number 118, which the SIKALATEX mark did not. The font types of the two were also different, as was their colour scheme used on the labels of their respective products. On the plaintiffs' product, the word 'SIKALATEX' was in white against a light blue background. On the defendant's product, the word 'LATEX 118' was also in white but against a dark green background. Thirdly, the get-up and the manner in which the plaintiffs used the SIKALATEX mark on the plaintiffs' product was wholly different to the defendant's get-up and how the defendant used the LATEX 118 mark on the defendant's product. Further, the defendant did not use the 'LATEX 118' sign as a trademark but instead as a sign to designate the kind, quality, intended purpose and other characteristic of the defendant's product. 'LATEX 118' was also used on the defendant's product as a sign to describe the polymer emulsion product that it was and the use of the number '118' had an auspicious meaning in the Cantonese dialect. That was apparent from the fact that the plaintiffs also use the number 118 on the plaintiffs' product even though the number was not part of the first plaintiff's trademark. That was also apparent from the use of the number 118 (or other numbers consisting of the numbers 1 and 8) by those other manufacturers of other similar products. In conclusion, the defendant was not infringing the SIKALATEX mark and therefore, the first plaintiff's claim for trademark infringement was dismissed with costs. (paras 35, 37, 38, 39, 41, 42 & 45)

(5) To prove passing off, the plaintiffs must: (i) establish a goodwill or reputation in the goods or services it provided; (ii) demonstrate a misrepresentation by the defendant which was likely to lead the public to believe that the goods it provided were those of the plaintiffs'; and (iii) establish that damage had or would likely be caused. There was insufficient evidence to prove that the plaintiffs had goodwill and reputation in the plaintiffs' products bearing the SIKALATEX 118 mark in the yellow jerrycan with the red cap. It could not be assumed that simply because the plaintiffs may have considerable reputation and goodwill in the SIKA brand, then that automatically meant that all of its products – even newly introduced ones or new ones relative to the plaintiffs' other products – would automatically be endowed with that same goodwill and reputation. The plaintiffs failed to establish goodwill and reputation for their goods with the 'SIKALATEX 118' with the yellow jerrycan with the red cap. Given the prominence to which the plaintiffs accorded to the yellow jerrycans, the switch by the defendant from the use of the blue jerrycan to the use of the yellow jerrycan would

not constitute a misrepresentation by the defendant. This was mainly because the plaintiffs had not established that they had goodwill and reputation in the use of the yellow jerrycan for their SIKA products, including the SIKALATEX 118 product and that yellow jerrycans were commonly used in the market. Secondly, there were obvious differences to the labels respectively used by the plaintiffs and the defendant on their jerrycans that made for sufficient differentiation between them so as to avoid confusion. Thirdly, the use by the defendant of 'LATEX 118' was not a misrepresentation for 'SIKALATEX 118'. The plaintiffs did not employ the number 118 in any of their other products and evidence was led of the use by other manufacturers of like-products of that number for their own products. Thus, the plaintiffs did not have a monopoly of that number and it was a number common to the trade. Further, the plaintiffs did not use the term 'LATEX 118' on its own but always as 'SIKALATEX 118', thus making it immediately and directly identifiable with its brand 'SIKA'. On its label, the defendant's 'LATEX 118' was immediately and directly identifiable with its own Nippon Paints brand. Therefore, there was no misrepresentation by the defendant. The plaintiffs failed to prove passing off against the defendant and their claim for passing off was dismissed with costs. (paras 56, 64, 66, 75-78, 80 & 82)

(6) Determining the plaintiffs' claim for copyright infringement against the defendant involved a two-stage process, namely: (i) whether copyright subsisted in the plaintiffs' works; and (ii) if so, whether the defendant's works infringed the copyright of the plaintiffs' works. Under s. 7(1)(a) of the Copyright Act 1987 ('CA'), literary works 'shall be eligible for copyright'. The plaintiffs' product description and PDS were literary works and were therefore eligible for copyright on that score. The objective similarity between the plaintiffs' PDS and the defendant's technical data sheet ('TDS') was substantial. The burden then shifted to the defendant to refute by evidence, also on the balance of probabilities, that there was no copying but independent creation, despite the similarity. The defendant failed to discharge that burden. There was insufficient evidence that the content of the defendant's TDS was novel or striking or was merely a commonplace arrangement of ordinary words or a well-known data. Accordingly, the defendant's TDS (and not the defendant's product data) infringed the plaintiffs' copyright in the plaintiffs' PDS. This part of the claim for copyright infringement was therefore allowed with costs. An injunction was ordered to restrain the defendant from infringing or authorising others to infringe the plaintiffs' copyright in the plaintiffs' PDS. (paras 85, 86, 90, 111-113 & 137)

(7) Four ingredients for establishing unlawful interference with trade were: (i) interference with the plaintiffs' trade or business; (ii) unlawful means; (iii) intention to injure the plaintiffs; and (iii) the plaintiffs were injured thereby. Since the plaintiffs failed to establish their claims against the defendant for trademark infringement, passing off and copyright infringement of the plaintiffs' product description, the plaintiffs thereby failed to establish their claim against the defendant for unlawful interference with trade. This claim was dismissed with costs. The defendant's counterclaim against the plaintiff for unlawful interference with trade also failed and was dismissed with costs. (paras 115, 123, 125 & 128)

(8) The defendant's suggestion, *ie*, the middle ground, had to be declined. Interesting and tempting the suggestion may be, the court in its adjudicative role decides disputes and does not play the peacekeeper. (para 134)

Case(s) referred to:

Coca-Cola Co Of Canada Ltd v. Pepsi-Cola Co Of Canada Ltd [1942] All ER 615 ***(refd)***
Consitex SA v. TCL Marketing Sdn Bhd [2008] 8 CLJ 444 HC ***(refd)***
Dura-Mine Sdn Bhd v. Elster Metering Ltd & Anor [2015] 1 CLJ 887 FC ***(refd)***
H & R Johnson (Malaysia) Bhd v. H & R Johnson Tiles Limited & Anor [1995] 2 CLJ 581 HC ***(refd)***
Ho Tack Sien & Ors v. Rotta Research Laboratorium S.p.A & Anor [2012] 8 CLJ 645 CA ***(refd)***
Kiwi Brands (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd [1998] 2 CLJ Supp 194 HC ***(refd)***
LB (Lian Bee) Confectionery Sdn Bhd v. QAF Ltd [2012] 3 CLJ 661 FC ***(refd)***
Low Chi Yong v. Low Chi Hong & Anor [2018] 1 CLJ 287 FC ***(refd)***
McLaren International Ltd v. Lim Yat Meen [2009] 4 CLJ 749 FC ***(refd)***
Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (No 2) [2009] 8 CLJ 130 HC ***(refd)***
Mesuma Sports Sdn Bhd v. Majlis Sukan Negara Malaysia; Pendaftar Cap Dagangan Malaysia (Interested Party) [2015] 9 CLJ 125 FC ***(refd)***
M I & M Corporation & Anor v. A Mohamed Ibrahim [1964] CLJU 105; [1964] 1 LNS 105 FC ***(refd)***
Mohd Syamsul Md Yusof & Ors v. Elias Idris [2019] 7 CLJ 560 FC ***(refd)***
Munchy Food Industries Sdn Bhd v. Huasin Food Industries Sdn Bhd [2018] MLJU 407 ***(refd)***
Munchy Food Industries Sdn Bhd v. Huasin Food Industries Sdn Bhd [2021] 10 CLJ 329 FC ***(refd)***
Ortus Expert White Sdn Bhd v. Nor Yanni Adom & Anor [2022] 2 CLJ 661 FC ***(refd)***
Pakai Industries Bhd v. Chen Yew Industries Sdn Bhd [1991] 2 CLJ 1574; [1991] 3 CLJ (Rep) 383 HC ***(refd)***
Payton & Co Ltd v. Snelling Lampard & Co Ltd (1899) 17 RPC 48 ***(refd)***
Puaneswaran Renganathan & Ors v. Jyothy Laboratories Ltd [2020] CLJU 1869; [2020] 1 LNS 1869 CA ***(refd)***
Re Pianotist Co's Application (1906) 23 RPC 774 ***(refd)***
Reckitt And Colman Products Ltd v. Borden Inc And Others [1990] 1 All ER 873 ***(refd)***
Sanbos (Malaysia) Sdn Bhd v. Tiong Mak Liquor Trading (M) Sdn Bhd [2008] 10 CLJ 538 HC ***(refd)***

Skyworld Development Sdn Bhd & Anor v. Skyworld Holdings Sdn Bhd & Ors [2019] CLJU 157; [2019] 1 LNS 157 HC ***(refd)***
Skyworld Holdings Sdn Bhd & Ors v. Skyworld Development Sdn Bhd & Anor [2022] 5 CLJ 74 FC ***(refd)***
Skyworld Development Sdn Bhd & Anor v. Skyworld Holdings Sdn Bhd & Ors [2020] CLJU 48; [2020] 1 LNS 48 CA ***(refd)***
The Commissioners Of Inland Revenue v. Muller & Co's Margarine, Limited [1901] AC 217 ***(refd)***
Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd [1992] 2 CLJ 1153; [1992] 1 CLJ (Rep) 344 SC ***(refd)***
YKL Engineering Sdn Bhd v. Sungei Kahang Palm Oil Sdn Bhd & Anor [2022] 8 CLJ 32 FC
Yong Sze Fun & Anor v. Syarikat Zamani Hj Tamin Sdn Bhd & Anor [2011] CLJU 1307; [2011] 1 LNS 1307 CA

Legislation referred to:
Copyright Act 1987, ss. 3, 7(1)(a), (3)(a), 36(1), (2)
Trademarks Act 2019, ss. 23(1)(b)(c), (d), 47(1), 48(1), (2), (3), 54, 56(1)

For the plaintiffs - Michael Soo Chow Ming, Yu Shi Yang & Serene Khoo; M/s Shook Lin & Bok
For the defendant - Teo Bong Kwang, Loo Wai Hoong & Kathreena Jit Kaur Korotana; M/s Wong Jin Nee & Teo

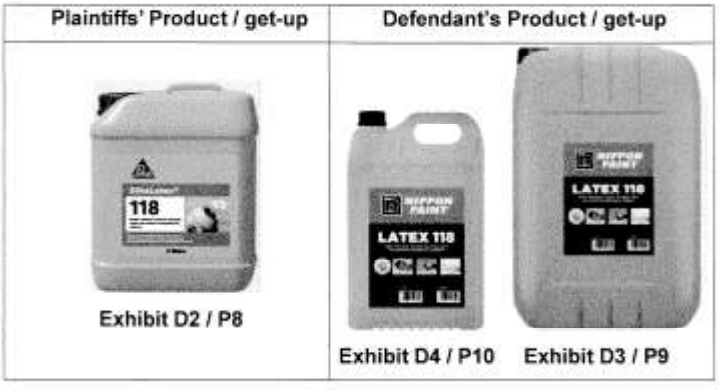
Reported by Lina E

JUDGMENT

Azlan Sulaiman JC:

The Disputes And The Approach

[1] The disputes in this action revolve around the following products depicted by these pictorial images:



[2] The plaintiffs' claims against the defendant in this action are for damages and other relief for:

(i) infringement of Trademark Registration No: 2018051675;

(ii) passing off;

(iii) copyright infringement; and

(iv) unlawful interference with trade.

[3] Apart from disputing all of these claims, the defendant is counterclaiming against the plaintiffs:

(i) for various declarations;

(ii) to invalidate Trademark Registration No: 2018051675;

(iii) damages and other relief for unlawful interference with trade; and

(iv) further and/or in the alternative, for a declaration that the plaintiffs' products (including get-up) and the defendant's products (including get-up) "shall be permitted and continue to co-exist in the market or course of trade without any further interference from the plaintiffs". I call this "middle ground".

[4] In this judgment, I shall deal with the plaintiff's claims and the defendant's counterclaims in the following sections:

Section	Subject
B	Defendant's counterclaim to invalidate the plaintiffs' mark
C	Plaintiffs' claim for trademark infringement
D	Plaintiffs' claim for passing off
E	Plaintiffs' claim for copyright infringement
F	Competing claims for unlawful interference with trade

G Middle ground

H Summary of findings and conclusions

I Relief/Orders/Costs

[5] The reason for dealing with the defendant's counterclaim for trademark invalidation separately and before trademark infringement is that, if the plaintiffs' trademark is found to be invalid or having been invalidly registered, then the consequential effect of that finding is that it should never have been registered in the first place, and there could not be any infringement of it by the defendant.

[6] However, before even delving into the defendant's counterclaim for trademark invalidation and the plaintiffs' claim for trademark infringement, given that this action was filed by three plaintiffs, the first step is to ascertain which plaintiff has the *locus standi* to claim trademark infringement, and consequently against which plaintiff the counterclaim for trademark invalidation is directed. It cannot be all three of them.

[7] Section 48 of the Trademarks Act 2019 ("TMA") sets out the rights conferred on the registered proprietor of a registered trademark. Sub-sections (1), (2) and (3) of said s. 48 provide:

> (1) The registered proprietor of trademark has the exclusive rights:
>
> (a) to use the trademark; and
>
> (b) to authorize other persons to use the trademark,
>
> in relation to the goods and services for which the trademark is registered.
>
> (2) The registered proprietor has the right to obtain relief for infringement of his trademark.
>
> (3) The acts amounting to infringement of a trademark are set out in section 54 and references to the infringement of a registered trademark shall be construed accordingly.

[8] Section 56(1) of the Act further provides:

> The registered proprietor shall have the right to institute Court proceedings against any person who has infringed or is infringing the registered trademark.

[9] Sections 48 and 56 of the TMA clearly envisage that only the registered proprietor of a trademark has the right to bring an action and to obtain relief for infringement of his trademark. In other words, the right to bring an action and to obtain relief for infringement of a trademark is exclusive to its registered proprietor.

[10] Trademark Registration No: 2018051675 which is the subject matter of trademark infringement and invalidation here ("SIKALATEX mark") was successfully registered in 2018 by the first plaintiff. Its details are in Table A below:

Table A

Registration No.	Mark	Class & Specification
2018051675	SIKALATEX	Class 1 Concrete and mortar admixture; bonding agent for concrete; all included in class 1.

[11] Consequently, only the first plaintiff as the registered proprietor of the SIKALATEX mark has the requisite *locus standi* to bring the claim for trademark infringement against the defendant.

[12] Likewise, the defendant's counterclaim for invalidation of the SIKALATEX mark would therefore only be against the first plaintiff.

Trademark Invalidation

[13] Invalidation of a registered trademark is provided for under s. 47(1) of the TMA, which states:

> The registration of trademark may be declared invalid by the Court upon the application by an aggrieved person on the ground that the trademark was registered in breach of section 23.

Whether The Defendant Is An Aggrieved Person

[14] Section 47(1) of the TMA makes it clear that only an aggrieved person may apply for the registration of a trademark to be declared invalid by the court. Thus, the first step is to ascertain whether the defendant is an aggrieved person *vis-à-vis* the SIKALATEX mark.

[15] In *McLaren International Ltd v. Lim Yat Meen* [2009] 4 CLJ 749, Abdul Aziz Mohamad FCJ said in:

> We understand that passage as laying down the principle that a person aggrieved is a person who has used his mark as a trade mark – or who has a genuine and present intention to use his mark as a trade mark – in the course of a trade which is the same as or similar to the trade of the owner of the registered trade mark that the person wants to have removed from the register.

[16] Then, in *Mesuma Sports Sdn Bhd v. Majlis Sukan Negara Malaysia* [2015] 9 CLJ 125; [2015] 6 MLJ 465, Azahar Mohamed FCJ (later CM (Malaya) echoed what Abdul Aziz Mohamad FCJ said in *McLaren International*, and added:

The person must be someone who has some element of legal interest, right or legitimate expectation in its own mark which is being substantially affected by the presence of the registered trade mark. The interest and right must be legal or lawful.

[17] I find that the defendant is indeed an aggrieved person under s. 47(1) of the TMA.

[18] Firstly, by the trademark infringement action, the plaintiffs essentially contend that the defendant, by using the sign with the combination of words and numerals, "LATEX 118" ("LATEX 118 mark"), infringes the first plaintiffs' SIKALATEX mark. As the defendant uses the LATEX 118 mark as a trademark and has a genuine and present intention to continue to use this mark as a trademark in the course of its trade, then it is rightly aggrieved by the plaintiff's SIKALATEX mark.

[19] Secondly, the defendant is using the LATEX 118 mark in a trade which is similar to the trade in which the plaintiffs use the SIKALATEX mark:

(i) the first and second plaintiffs are companies incorporated in Switzerland whilst the third defendant was incorporated in Malaysia. All three are part of the Sika Group, and the second and third plaintiffs are wholly owned subsidiaries of the first plaintiff. The third defendant's nature of business is "Manufacture and marketing of building chemicals and related products".

(ii) in 1989, the second plaintiff successfully registered six trademarks in Malaysia, all of which consist of the word "Sika". They are set out in Table B below:

Table B

No	Registration No.	Mark	Class & Specification
1	89005185	SIKA	**Class 1** Chemicals used in building construction and in industry; unprocessed artificial resins; waterproofing materials; adhesives for industrial purposes; all included in class 1.
2.	89005186	SIKA	**Class 17** Artificial resins (semi-finished); sealants for joints; all being goods included in class 17.
3.	89005187		**Class 19** Non-metallic building materials included in class 19.

4.	89005188		**Class 1** Chemicals used in building construction and in industry; unprocessed artificial resins; Waterproofing materials; adhesives for industrial purposes; all included in class 1.
5.	89005189		**Class 17** Artificial resins (semi-finished): sealants for joints; all being goods included in class 17.
6.	89005190		**Class 19** Non-metallic building materials included in class 19.

(iii) the defendant was incorporated in Malaysia in 1967 and is a wholly owned subsidiary of Nippon Paint Holdings Co, Ltd of Japan ("NPH") which has been involved in the protective coatings industry for around 140 years. It operates in 29 countries including Japan, Malaysia, China, Thailand and Singapore.

(iv) the defendant's nature of business is "manufacture, sell and dealer of paint and paint related products and any kinds of classes of chemicals, allied products of chemicals including of various types of adhesive products."

(v) from 1989 to 2014, the defendant, NPH and Nippon Paint Holdings SG ("NPHS") between them registered the following four trademarks in Malaysia (collectively, "the Nippon marks"), details of which are set out in Table C below:

Table C

Registration No.	Trademark	Proprietor	Class
89007035	NIPPON PAINT	NPH	2
04003078		Defendant	2
2014052161		Defendant	2
2014052162		Defendant	2
2014052163		NPHS	2

Class 2 Is For "Paints".

[20] The plaintiffs contest the defendant's claim to be an aggrieved person, on the principle of construction *in bonam partem* and relying on the case of *LB (Lian Bee) Confectionery Sdn Bhd v. QAF Ltd* [2012] 3 CLJ 661; [2012] 4 MLJ 20 in which Zulkefli CJ (Malaya) said (in paras. [17] and [18] of the judgment of the Federal Court):

> We are in agreement with the learned judge's findings that as an infringer and as to what may be regarded as a 'policy' ground, the appellant cannot be regarded as a 'person aggrieved' for the purposes of s. 46(1) of the TMA. There is a juristic support for this 'policy' approach by the learned judge which was upheld by the Court of Appeal. As a matter of statutory interpretation, the courts have long applied the principle of construction *in bonam partem* …
>
> In accordance with the principle of construction *in bonam partem*, it is noted that the learned trial judge had found that the appellant had been infringing the registered trademark 'squiggles' since 2007. The registered trademark 'squiggles' was registered on 20 August 2004. Until its expungement, the registered trademark remains a registered trademark. In this case, even before the application for expungement, the appellant had unlawfully been using the infringing mark 'squiggle' which is confusingly similar to the registered trademark. Applying the principle of construction *in bonam partem*, the appellant cannot be regarded as being a *bona fide* 'person aggrieved' or a person who is lawfully aggrieved for the purposes of s. 46(1)(b) of the TMA. Furthermore, if the appellant is to be regarded as a 'person aggrieved' for the purposes of s. 46(1)(b) of the TMA, it would mean that all infringers may apply to expunge the very trademark they have been infringing and this would be contrary to the time-honoured principle of not allowing them to benefit from their very own wrong or unlawful act.

In essence, the plaintiffs contend that the defendant is not an aggrieved person because it is already infringing the SIKALATEX mark.

[21] However, in my view, the principle of construction *in bonam partem* and the *LB (Lian Bee) Confectionery* case is not applicable to our case. There, the appellant was engaged in the business of manufacturing, producing, and dealing in all kinds of cakes, biscuits, bread, sweets, buns and other food-stuff in Malaysia, and had produced cream-filled buns and had sold these products using the trademark 'squiggle' since November 2007. The respondent, on the other hand, owned 79% of Gardenia Bakeries (KL) Sdn Bhd ('Gardenia'), and under a licensing agreement in 1996, granted several rights to Gardenia, including the use of its trademarks, one of which was 'squiggles', that had been registered in 2004. Thus, the statement by Zulkefli CJ (Malaya) on the principle of construction *in bonam partem* in the *LB (Lian Bee) Confectionery* case must be viewed in the context of a party already infringing a registered mark which is identical to its own and applying to invalidate it. That is not the case here, as the SIKALATEX mark and the LATEX 118 mark are not identical.

Whether The SIKALATEX Mark Should Be Invalidated

[22] The defendant's pleaded case to invalidate the SIKALATEX mark is that it was registered in breach of s. 23 of the Trademarks Act 2019, in particular ss. (1)(b), (c) and (d). These provide:

> Subject to subsection (2), the Registrar shall refuse to register a trademark based on the following absolute grounds for refusal of registration:
>
> (b) trademarks which are devoid of any distinctive character;
>
> (c) trademarks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, other characteristics of goods or services or the time of production of goods or of rendering of services; or
>
> (d) trademarks which consist exclusively of signs or indications which have become customary in the current language of the territory or in the *bona fide* and established practices of the trade.

[23] The defendant contends that the SIKALATEX mark should be invalidated because:

(i) the SIKALATEX mark is devoid of any distinctive character as it is merely a combination of the plaintiffs' house mark SIKA with a generic word "latex";

(ii) the SIKALATEX mark consists exclusively of a sign or indication which may serve in trade to designate the kind, quality, intended purpose and other characteristics of the goods, namely, "concrete and mortar admixture; bonding agent for concrete; all included in class 1" cover goods synonymous to polymer emulsion or latex and are or have become customary in the current language of the territory or in the *bona fide* and established practices of the trade;

(iii) the SIKALATEX mark is contrary to law as it consists of the generic word "latex"; and

(iv) the Registrar has erroneously failed to disclaim the generic word "latex" in the first plaintiff's mark SIKALATEX during registration, which would have disallowed the plaintiffs from any exploitation or monopolisation of the generic word "latex".

[24] I do not agree with the defendant and find that the SIKALATEX mark has been correctly and lawfully entered into the Register of Trademarks and should not be invalidated.

[25] Firstly, I find that the SIKALATEX mark, as a whole, is distinctive and is not common to the trade or business of the goods for which it has been registered, *ie*, concrete and mortar admixture, bonding agent for concrete.

[26] Secondly, I find that the SIKALATEX mark is distinctive of the goods registered as it is uniquely coined by the plaintiffs for use in relation to its goods. A number of the plaintiffs' goods are prefixed with the word "SIKA", which is also part of their corporate name, and it is unlikely that any other traders without any improper motive would want to or have any desire to use the SIKALATEX mark, particularly the word "SIKA", for their own concrete and mortar admixture, bonding agent for concrete. The SIKALATEX mark is surely distinctive of the plaintiffs.

[27] Thirdly, the SIKALATEX mark is not descriptive, and does not serve in trade to designate the kind, quality, intended purpose and other characteristics of concrete and mortar admixture, bonding agent for concrete.

Conclusion (Trademark Invalidation)

[28] I find that the SIKALATEX mark has been validly and lawfully entered into the Register of Trademarks and should not be invalidated. Consequently, I dismiss the defendant's counterclaim to invalidate the SIKALATEX mark with costs, subject to allocatur.

Trademark Infringement

[29] As I had said earlier, the only party having the *locus standi* to bring a claim for infringement of the SIKALATEX mark is the first plaintiff.

[30] Section 54 of the TMA, sets out the acts which constitute infringement of a registered trademark. It provides:

> Acts amounting to infringement of registered trademark
>
> (1) A person infringes a registered trademark if he uses a sign which is identical with the trademark in relation to goods or services which are identical with those for which it is registered, in the course of trade, without the consent of the registered proprietor.
>
> (2) A person infringes a registered trademark if, without the consent of the proprietor of the trademark, he uses in the course of trade a sign:
>
> (a) that is identical with the trademark and is used in relation to goods or services similar to those for which the trademark is registered; or
>
> (b) that is similar to the trademark and is used in relation to goods or services identical with or similar to those for which the trademark is registered, resulting in the likelihood of confusion on the part of the public.

A (3) For the purposes of this section, a person uses a sign if he:

(a) applies it to goods or their packaging;

(b) offers or exposes goods for sale under the sign;

(c) puts goods on the market under the sign;

B (d) stocks goods under the sign for the purpose of offering or exposing them for sale or of putting them on the market;

(e) offers or supplies services under the sign;

(f) imports or exports goods under the sign;

C (g) uses the sign on an invoice, catalogue, business letter, business paper, price list or other commercial document, including any such document in any medium; or

(h) uses the sign in advertising.

(4) A person who:

D (a) applies a registered trademark to any material used or intended to be used for labelling or packaging goods; or

(b) uses a sign in advertising or on any document described in paragraph (3)(g),

E shall be treated as a party who uses the material which infringes the registered trademark if when he applied the trademark, he knew or had reason to believe that the application of the trademark was not duly authorized by the registered proprietor of the trademark or a licensee.

F **[31]** In *Low Chi Yong v. Low Chi Hong & Anor* [2018] 1 CLJ 287; [2018] 1 MLJ 175, the Federal Court held that, for trademark infringement, the plaintiff has to prove:

(i) that he owns a valid trademark;

G (ii) that his trademark was used in the course of trade without his consent; and

(iii) that the unlawful use of his trademark had caused deception/confusion among the prospective customers.

[32] In *Re Pianotist Co's Application* (1906) 23 RPC 774, Parker J gave a H good indication as to how to determine the issue of similarity between a plaintiff's and defendant's marks, and his statement has generally been accepted by our courts, including by the Supreme Court in *Tohtonku Sdn Bhd v. Superace (M) Sdn Bhd* [1992] 2 CLJ 1153; [1992] 1 CLJ (Rep) 344; [1992] 2 MLJ 63. Parker J said:

I

> You must take the two words. You must judge them, both by their look and their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those marks are used in a normal way as a trademark of the goods of the respective owners of the marks.

[33] To reiterate, the plaintiffs contend that the LATEX 118 mark infringes the SIKALATEX mark.

[34] I find that the defendant is not infringing the SIKALATEX mark.

[35] Firstly, s. 54 of TMA requires that the alleged infringing mark is either identical or similar to the registered mark that is infringed. In my view, the LATEX mark is neither identical nor similar to the SIKALATEX mark.

[36] This is what the SIKALATEX mark and the Latex 118 mark look like side-by-side:

[37] They are in no way identical and the difference between the two is stark. Phonetically, they are different. The only thing they have in common is the word "Latex" and, even then, the first plaintiff's trademark combines that word with its house-mark "SIKA". Table A earlier shows that the plaintiffs have six other registered trademarks that contain the word "SIKA".

[38] Secondly, the LATEX 118 mark uses the number 118, which the SIKALATEX mark does not. The font type of the two is also different, as is their colour scheme used on the labels of their respective products. On the plaintiffs' product, the word "Sikalatex" is in white against a light blue background; on the defendant's product, the word "Latex 118" is also in white but against a dark green background.

[39] Thirdly, the get-up and the manner in which plaintiffs use the SIKALATEX mark on the plaintiffs' product is wholly different to get-up and how the defendant uses the LATEX 118 mark on the defendant's product. They are shown below:

Plaintiffs' Product / get-up
Defendant's Product / get-up
Exhibit D2 / P8
Exhibit D1 / P7
Exhibit D4 / P10
Exhibit D3 / P9
Exhibit D6 / P12
Exhibit D5 / P11

[40] Some of the differences immediately discernible include the following:

(i) in the plaintiffs' products, the word "SIKALATEX" is set above and apart from the number "118", whereas "LATEX" and "118" are paired on the label to the defendant's product.

(ii) the number "118" is far more prominent than the word "SIKALATEX" on the label to the plaintiffs' product whereas on the label of the defendant's product "LATEX" and "118" share equal prominence. Given the differing prominence the plaintiffs apply to the number "118" and the word "SIKALATEX" on the plaintiffs' product, it would not be altogether surprising if the general public assumed that the plaintiffs also manufacture and distribute, say a "119" or "117" product too under the SIKALATEX brand. To do so would actually not be uncommon in the industry; the defendant adduced evidence of a company called Obaproof that sells Obaproof 188 and Obaproof 1108, and of another company called MAPEI that sells Mapelatex 117 and Mapelatex 118.

(iii) the label on the plaintiffs' product shows a close association between the number "118" and "SIKALATEX" and the plaintiffs' "SIKA" house-mark, " " and the plaintiffs do not use the word and number "Latex 118" without the word SIKA.

(iv) on the other hand, the label on the defendant's product shows a close association between the "LATEX 118" mark and the defendant's "NIPPON" house-mark. . These respective house-marks are distinctive and wholly different. In my view, given that both SIKA and NIPPON are prominent companies in their own right and have developed their own prominent brands, the general public will not be confused between the two. The prominent display of both the defendant's and the plaintiffs' house-marks on their respective products certainly makes it convenient, easier and clearer for members of the public, including distributors, retailers and consumers looking to buy that product, to identify and distinguish the respective brands when looking for this latex-based product.

(v) the colour schemes employed by the plaintiffs and the defendant on the labels to their respective products are also wholly different to be yet another reason that the general public will not be confused between the two. The plaintiffs predominantly use white and sky blue, and the defendant uses different shades of green.

[41] I further accept the defendant's contention that it does not use the "LATEX 118" sign as a trademark, but instead as a sign to designate the kind, quality, intended purpose and other characteristics of the defendant's product.

[42] I also accept the defendant's contention that "LATEX 118" is used on the defendant's product as a sign to describe the polymer emulsion product that it is, and that the use of the number "118" has auspicious meaning in the Cantonese dialect. That is further apparent from the fact that the plaintiffs also use the number 118 on the plaintiffs' product even though the number is not part of the first plaintiffs' trademark. That is also apparent from the use of that number 118 (or other numbers consisting of the numbers 1 and 8) by those other manufacturers of other similar products.

[43] As I said earlier, the word "Latex" is the only common element between the SIKALATEX mark and the LATEX 118 mark. Latex is a generic, descriptive word, and the plaintiffs cannot and should not have a monopoly over it.

[44] In *Coca-Cola Co Of Canada Ltd v. Pepsi-Cola Co Of Canada Ltd* [1942] 1 All ER 615, the Privy Council considered the issue of common words and their usage. Lord Russel of Killowen said:

> While questions may sometimes arise as to the extent to which a Court may inform itself by reference to dictionaries, there can, their Lordships think, be no doubt that dictionaries may properly be referred to in order to ascertain not only the meaning of a word, but also the use to which the thing (if it be a thing) denoted by the word is commonly put. A

reference to dictionaries shows that "Cola" or "Kola" is a tree whose seed or nut is largely used for "chewing as a condiment and digestive" (Murray), a nut of which "the extract is used as a "tonic drink" (Webster), and which is imported into the United States for use in medical "preparations and summer drinks" (Encyclopaedia Americana).

"Cola" would, therefore, appear to be a word which might appropriately be used in association with beverages and in particular with that class of non-alcoholic beverages colloquially known by the description "soft drinks". That in fact the word "Cola" or "Kola" has been so used in Canada is established by the second of the two circumstances before referred to.

The Defendant put in evidence a series of twenty-two trade marks registered in Canada from time to time during a period of twenty-nine years, namely, from 1902 to 1930, in connection with beverages. They include the mark of the Plaintiff and the registered mark of the Defendant. The other twenty marks consist of two or more words or a compound word, but also containing the word "Cola", or "Kola". The following are a few samples of the bulk: "Kola Tonic Wine", "La-Kola", "Cola-Claret", "Rose-Cola", "Orange-Kola", "O'Keefe's Cola", "Royal Cola". Their Lordships agree with the Supreme Court in attributing weight to these registrations as showing that the word "Cola" (appropriate for the purpose as appears above) had been adopted in Canada as an item in the naming of different beverages.

...

If it be viewed simply as a word mark consisting of "Coca" and "Cola" joined by a hyphen, and the fact be borne in mind that Cola is a word in common use in Canada in naming beverages, it is plain that the distinctive feature in this hyphenated word is the first word "Coca" and not "Cola". "Coca" rather than "Cola" is what would remain in the average memory. It is difficult, indeed impossible, to imagine that the mark "Pepsi" and not "Cola" as used by the Defendant, in which the distinctive feature is, for the same reason, the first word "Pepsi" and not "Cola", would lead anyone to confuse it with the registered mark of the Plaintiff.

...

In the result their Lordships are of opinion that the trade mark used by the Defendant and the registered mark of the Plaintiff are not trade marks so nearly resembling each other, or so clearly suggesting the idea conveyed by each other, that the contemporaneous use of both in the same area in association with wares of the same kind would be likely to cause dealers in or users of such wares to infer that the same person assumed responsibility for their character or quality, or for the conditions under which or the class of persons by whom they were produced or for their place of origin ...

Conclusion

[45] In conclusion, I find that the defendant is not infringing the SIKALATEX mark, and therefore the first plaintiff's claim for trademark infringement is dismissed with costs, subject to allocator.

Plaintiffs' Claim For Passing Off

[46] The plaintiffs' plea of passing off is encapsulated in Part D II of its amended statement of claim consisting of paras. 26 to 32. Therein, the plaintiffs pleaded to the effect that the defendant had committed passing off of the plaintiffs' product bearing the label with the words "SikaLatex 118" and/or the plaintiffs' get-ups consisting of the yellow-coloured pail with the red-coloured cap on the jerrycans in which that product was contained. The defendant's alleged passing off was by the defendant's goods bearing the label "LATEX 118", first in blue jerrycans, and subsequently in the yellow jerrycans, both with the red-coloured cap.

[47] In para. 27 of its amended statement of claim, the plaintiffs published pictures of the defendant's goods in the blue and yellow jerrycans both with a red cap, and then a table in which the defendant's goods in both the blue and yellow jerrycans with red caps were placed alongside the plaintiffs' goods in the yellow jerrycans with red caps for comparison purposes. In all of those paragraphs in Part D II of its amended statement of claim, the plaintiffs consistently pleaded that the defendant's passing off was of the plaintiffs' "SikaLatex 118" mark and/or the yellow jerrycan with the red cap, by the defendant's goods bearing the label "LATEX 118", by both the blue jerrycans with the red cap and by the yellow jerrycans with the red cap.

[48] That and/or pleaded position essentially meant that the defendant's alleged passing off was of any one of three instances: of the plaintiffs' the "SikaLatex 118" mark with the yellow jerrycan with the red-coloured cap; of the plaintiffs' "SikaLatex 118" mark; or of the yellow jerrycans with the red cap.

[49] However, in Part C (encompassing paras. 13 to 76) of the plaintiffs' written submission on the defendant's alleged passing off, the plaintiffs have subtly but surely and significantly narrowed their focus. Firstly, in para. 13, the plaintiffs submitted:

> One of the Plaintiffs' claims is based on the common law of passing off. The Plaintiffs are the common law proprietors of the Plaintiffs' **"SikaLatex 118"** mark and the Plaintiffs' get-ups " " for 4 litre pail (Exhibit P8/D2) and " " for 18 litre pail (Exhibit P7/D1), which bear the following essential features (hereinafter referred to as **"the Plaintiffs' get-ups"**):

(i) yellow-coloured pail;

(ii) red-coloured cap; and

(iii) the word and numerals "Latex 118", which are an essential part of the **"SikaLatex 118"** mark, prominently displayed on the pail.
(emphasis added)

[50] Then, in para. 14, the plaintiffs submitted:

In essence, the Plaintiffs are claiming that the Defendant has passed off its goods as and for the goods of the Plaintiffs by using the Defendant's infringing

sign **"LATEX 118"** and the Defendant's get-ups " " for 4 litre pail (Exhibit P10/D4) and " " for 18 litre pail (Exhibit P9/D3),

which bear the following essential features (hereinafter referred to as "the Defendant's get-ups"):

(i) yellow-coloured pail;

(ii) red-coloured cap; and

(iii) the word and numerals "LATEX 118" prominently displayed on the pail.
(emphasis added)

[51] Then in para. 2 of the plaintiffs written submissions in reply, the plaintiffs submitted:

The Plaintiffs are the common law proprietors of the Plaintiffs' "SikaLatex 118" mark and the Plaintiffs' get-ups " " for 4 litre pail (Exhibit P8/D2) and " " for 18 litre pail (Exhibit P7/D1). The Plaintiffs consistently claim the **unique combination** of the word and numerals **"LATEX 118"**, yellow-coloured pail, and red-coloured cap.
(emphasis added)

[52] In both written submissions, the plaintiffs did not at all refer to the defendant's goods bearing the label "LATEX 118" in the blue jerrycans with the red cap that had been marked as exhs. D5/P11 and D6/P12. They did not at all submit that the defendant's goods bearing the label "LATEX 118", in the blue jerrycans with the red cap were passing off for the plaintiffs' goods. In effect, the plaintiffs had dropped/abandoned that part of its pleaded case that the defendant's goods bearing the label "LATEX 118" in the blue jerrycans with the red cap were passing off for the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap.

[53] Thus, in my view, the plaintiffs have thereby narrowed and confined the width and breadth of its pleaded case as follows:

(i) the plaintiffs' action for passing off against the defendant was now confined to the defendant's goods with the "LATEX 118" label in just the yellow jerrycans with the red cap, and not the blue;

(ii) the alleged passing off was collectively of the plaintiffs' goods with "SikaLatex 118" mark with the yellow jerrycan with the red cap. It was no longer pursuing passing off based on the "SikaLatex 118" mark or on the yellow-coloured pail with the red-coloured cap, on their own; and

(iii) as the defendant's blue jerrycan also bore the same label "LATEX 118" and had a red cap, the prominent focus of the plaintiffs' action for passing off thus became the yellow jerrycan.

Consequently, the plaintiffs' action for passing off was to be confined to and decided with these considerations in mind.

Elements Of Passing Off

[54] In *Reckitt And Colman Products Ltd v. Borden Inc And Others* [1990] 1 All ER 873, Lord Oliver of Aylmerton said:

> The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a *quia timet* action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.

[55] These statements have been accepted by our courts, most notably (and not in any way limited to) *Ho Tack Sien & Ors v. Rotta Research Laboratorium S.p.A & Anor* [2012] 8 CLJ 645, *Ortus Expert White Sdn Bhd v. Nor Yanni Adom & Anor* [2022] 2 CLJ 661; [2022] 2 MLJ 67 and *Skyworld Holdings Sdn Bhd & Ors v. Skyworld Development Sdn Bhd & Anor* [2022] 5 CLJ 74.

[56] Thus, to prove passing off, the plaintiffs must:

(i) establish a goodwill or reputation in the goods or services it provides;

(ii) demonstrate a misrepresentation by the defendant which is likely to lead the public to believe that the goods it provides are those of the plaintiffs'; and

(iii) establish that damage has or will likely be caused.

Goodwill Or Reputation

[57] In *Yong Sze Fun & Anor v. Syarikat Zamani Hj Tamin Sdn Bhd & Anor* [2011] CLJU 1307; [2011] 1 LNS 1307; [2012] 1 MLJ 585, the Court of Appeal referred to *The Commissioners Of Inland Revenue v. Muller & Co's Margarine, Limited* [1901] AC 217 in which Lord MacNaghten defined 'goodwill' in this way:

> What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source.

[58] Abdul Malik Ishak JCA, who delivered the judgment of the court in *Yong Sze Fun* then said:

> Four discerning features of goodwill may be listed:
>
> (a) that goodwill is the benefit added to the business through extensive trading operations which attracts custom;
>
> (b) that trade mark or get up is the badge and *indicia* that signifies, indicates and identifies the goodwill and the business;
>
> (c) that goodwill is created through and by means of trading activities; and
>
> (d) that the more extensive the trading activities are, which must necessarily include sale and promotion, the more value that would be attached to the goodwill.

[59] In *Ortus White*, (*supra*), Zabariah Mohd FCJ said:

Goodwill of a business is its established reputation which is regarded as a quantifiable asset and calculated as part of its value when the business is sold. Goodwill is attached to a trade or a particular trade. It is regarded as property rights. Lord Lindley in *The Commissioners of Inland Revenue v. Muller & Co's Margarine, Limited* [1901] AC 217 at p 225 gave a description of 'Goodwill' as:

> Goodwill regarded as property has no meaning except in connection with some trade, business or calling. In that connection I understand the word to include whatever adds value to a business by reason of situation, name and reputation, connection, introduction to old customers, and agreed absence from competition, or any of these things, and there may be others which do not occur to me.

[60] As the plaintiffs allege that the defendant's passing off was on the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap, it is on these that they must establish they have goodwill and reputation.

[61] For that, the plaintiffs contend the following:

(i) that the "SikaLatex 118" mark in the yellow jerrycan with the red cap are the badges and *indicia* that uniquely identify the goodwill and the business of the plaintiffs;

(ii) that from 1910 until now, the first plaintiff has invested in and has developed the combination of its corporate colours yellow and red on a global scale. All its subsidiaries worldwide use the same colours for the packaging of SIKA products;

(iii) since 2007, the plaintiffs have consistently used the "SikaLatex 118" mark in the yellow jerrycan with the red cap, as shown by invoices and delivery orders in Bundles B1 (pp. 182 to 215), B2 (pp. 216 to 430) and B3 (pp. 431 to 602) issued by the third plaintiff from 2008 to 2021 in respect of sales of the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap;

(iv) between 2012 and 2022, the annual revenue from the sales of the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap had exceeded RM30 million;

(v) the evidence of advertising, promotion, and marketing between 2012 and 2022 in Bundle B1 (pp. 54 to 181) for the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap; and

(vi) in cross-examination, DW1 acknowledged that he was aware of the plaintiffs' business and goods when the defendant commenced manufacturing the defendant's goods in 2018.

[62] Based on this evidence, the plaintiff's submitted that the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap have become exclusively associated with the plaintiffs and no one else.

[63] Having perused that evidence most carefully, I make the following observations:

(i) the plaintiffs' product catalogues and A&P invoices do not exclusively refer to or mention the SIKALATEX 118 product or the plaintiffs' goods bearing the "SikaLatex 118" mark in the yellow jerrycan with the red cap. The plaintiffs have a whole range of products that use the SIKA name, like Sika Anchorfix, Sika Bond, Sika Brushcoat (see: B1 pp. 59 to 60). It therefore appears to be the first plaintiff's practice to use the name "Sika" for a whole host of its products, and differentiate them by the type of product, the common denominator between them being the brand name "SIKA". Given this wide range, the plaintiffs' product catalogues and A&P invoices would understandably have been in respect of all of those SIKA products, and not necessarily just the SikaLatex 118 product. In other words, the plaintiffs did not adduce evidence of invoices (and therefore trade) of the SikaLatex 118 product alone;

(ii) the same observation would just as easily apply to the plaintiffs' evidence of its annual revenue and advertising, promotion, and marketing expenses, which would have been in respect of all of those SIKA products and not necessarily just the SIKALATEX 118 product; and

(iii) the plaintiffs did not adduce any evidence that its whole range of SIKA products were packed in yellow and red, be it in jerrycans and cap or otherwise.

[64] Consequently, even with its history and its worldwide expansion, though the plaintiffs may have considerable reputation and goodwill in the "SIKA" brand, there was insufficient evidence to prove when this action was filed in October 2021 that the plaintiffs had goodwill and reputation in the plaintiffs' product bearing the SIKALATEX 118 mark in the yellow jerrycan with the red cap. This court cannot assume that, simply because the plaintiffs may have considerable reputation and goodwill in the "SIKA" brand, then that automatically means that all of its products – even newly introduced ones or new ones relative to the plaintiffs' other products – would automatically be endowed with that same goodwill and reputation. As the plaintiffs' action for passing off was confined specifically to their goods with the SIKALATEX 118 mark in the yellow jerrycan with the red cap, then they had to adduce evidence of goodwill and reputation specific to that. In my opinion, they failed to do so.

[65] In particular, as the yellow jerrycan became the prominent focus and feature of the plaintiffs' action for passing off, they also had to adduce evidence of goodwill and reputation specific to that. In my opinion, this they also failed to do.

[66] I therefore find that the plaintiffs have failed to establish goodwill and reputation for their goods with the "SikaLatex 118" mark with the yellow jerrycan with the red cap.

Misrepresentation

[67] In *Pakai Industries Bhd v. Chen Yew Industries Sdn Bhd* [1991] 2 CLJ 1574; [1991] 3 CLJ (Rep) 383, Zakaria Yatim J said:

> To satisfy the requirement of misrepresentation the applicant must prove two points, firstly that the mark in question has become distinctive of its goods, and secondly the respondent's use of the mark is likely to deceive or cause deception.

[68] As I had already found that the plaintiffs had failed to establish that the "SikaLatex 118" mark with the yellow jerrycan with the red cap, and particularly the yellow jerrycan, had not become distinctive of its goods, I therefore find that the plaintiffs have failed in that first part of the equation. I will nevertheless still go on to consider whether the defendant's use of the "LATEX 118" label in the yellow jerrycans with the red cap mark is likely to deceive or cause deception, starting with some principles to so deciding.

[69] In considering this issue, the court does not just conduct a direct side-by-side visual comparison between the plaintiffs' goods and the defendant's. In *Munchy Food Industries Sdn Bhd v. Huasin Food Industries Sdn Bhd* [2021] 10 CLJ 329; [2022] 1 MLJ 377, Hasnah Hashim FCJ said:

> A plaintiff in a passing off action is not required to prove that the public is actually deceived or confused between the goods or services of the plaintiff and defendant (see: *Sinma Medical Products (M) Sdn Bhd v. Yomeishu Seizo Co Ltd & Ors* [2004] 4 MLJ 358; [2004] 3 CLJ 815).
>
> In deciding the existence of a likelihood of deception and/or confusion, the court cannot rely merely on a visual comparison between the packaging of the defendant's biscuits and that of plaintiff's biscuits. In this regard, the High Court judge considered the evidence before him meticulously and concluded that despite the differences that there is a likelihood of deception/confusion ...

[70] Evidence was led at trial that the water-resistant polymer bonding agent and mortar-strengthening additive is widely used in the building and construction industry; is sold by different manufacturers under various different brands; is widely available in hardware shops and other outlets that sell construction-related materials, with different-branded goods of the same products sold side-by-side; was reasonably and comparatively-cheaply

priced; and all manner of customers – including construction workers themselves, be it local or foreign – would come to purchase them. In my view, scenario this necessarily means that the comparison between the plaintiffs' goods and the defendant's should also involve the application of the imperfect recollection test.

[71] In *MI & M Corporation & Anor v. A Mohamed Ibrahim* [1964] CLJU 105; [1964] 1 LNS 105; [1964] 1 MLJ 392, the dispute involved tins of cooking oil under the brand name "Chop Bunga" or "Flower Brand". Naturally, the product's label displayed a flower. The plaintiff alleged trademark infringement by the defendant who also sold cooking oil but under the "Sunflower" brand. Thomson LP said:

> We ourselves have seen the two labels on the various sizes of tins to which they were affixed and have had every point of similarity and dissimilarity pointed out by counsel. Looking at them side by side they are clearly different and looking at them side by side nobody could possibly mistake the one for the other. The two flowers differ in many details and though their position on the labels is the same the surrounding wording differs. Even the most careless and ignorant person seeing them side by side on a shelf in a well-lighted grocer's shop could see that they are different. That, however, is not the test to be applied in a case of this sort for if it were it would render nugatory the protection which the law gives to trade and trademarks. For myself I would adopt the test applied by Sargant J in the case of *Sandow Ltd's Application* (1914) 31 RPC 196 at p 205 which was a registration case. He said:
>
> > The question is not whether if a person is looking at two Trade Marks side by side there would be a possibility of confusion; the question is whether the person who sees the proposed Trade Mark in the absence of the other Trade Mark, and in view only of his general recollection of what the nature of the other Trade Mark was, would be liable to be deceived and to think that the Trade Mark before him is the same as the other, of which he has a general recollection.
>
> That general recollection test is to be applied having regard to the sort of people who would buy the goods in question and the circumstances in which they buy. In the present case the test is to be applied in relation to people who are generally illiterate and who do their shopping in small dark grocers' shops where large quantities of goods are crowded in a disorderly manner into a very small space. It is to be remembered, too, that a flower of some sort is a common trade mark in connection with this particular commodity. In my view the general recollection on the part of the plaintiff's mark which would affect the minds of such customers in such circumstances would not be a flower (which they would take for granted) or of any particular sort of flower but of the colouring of the flower and its arrangement on the label. I am thus compelled to the conclusion that the flower device as used by the appellants was in fact likely to deceive or cause confusion and so enable the appellants to pass off their goods as and for the goods of the respondents.

Wong Kian Kheong JC (now JCA) referred to this passage at the High Court stage of *Munchy Food Industries*, reported in [2018] MLJU 407.

[72] Further, in *Yong Sze Fun*, Abdul Malik Ishak JCA said:

> It is not necessary to show that all or substantially all the persons to whom the misrepresentation is made will be confused. However, it is sufficient in law that a substantial proportion of persons who are probably purchasers of the goods will in fact be confused ...

[73] *Puaneswaran Renganathan & Ors v. Jyothy Laboratories & Ltd* [2020] CLJU 1869; [2020] 1 LNS 1869; [2023] 1 MLJ 192 was an action involving a claim, *inter alia*, for passing off. Likewise, Lee Swee Seng JCA said:

> The fact that both the toothpastes were sold through the same trade channels for the same Malaysian consumer market would put the parties in direct business competition. There can be no likelihood of deception and confusion without the corresponding element of misrepresentation.
>
> It was trenchantly observed in Canada in *Orion Corp v. Cross Vetpharm Group Ltd* 2017 TMOB 27 citing *Perrier SA v. Canada Dry Ltd* 1982 64 CPR (2d) (Ont HC) at p 121 that the most successful form of misrepresentation is to 'employ enough points of similarity to confuse the public with enough points of difference to confuse the courts'.
>
> As was highlighted in *United Biscuits (UK) Ltd v. Asda Stores Ltd* [1997] RPC 513, by Walker J: There is a good deal of authority for the proposition that long use of a particularly distinctive get ups does (without creating monopoly) place on a new competitor (minded to use a similar get up) a special obligation to avoid confusion.

[74] In *Sanbos (Malaysia) Sdn Bhd v. Tiong Mak Liquor Trading (M) Sdn Bhd* [2008] 10 CLJ 538; [2008] 3 MLJ 100, the allegation of passing off was by a plaintiff whose goods bore the mark 'CLUB 99' and 'CLUB 999' against the defendant whose goods bore the mark 'TRIPLE 999'. In his judgment, Ramly Ali J referred to what Lindley MR said on the issue of whether a feature or get-up is common to the trade, in *Payton & Co Ltd v. Snelling Lampard & Co Ltd* (1899) 17 RPC 48:

> ... What is it that the plaintiffs must make out in order to entitle them to succeed in this action? They must make out that the defendant's goods are calculated to be mistaken for the plaintiffs', and where, as in this case, the goods of the plaintiff and the goods of the defendant unquestionably resemble each other, but where the features in which they resemble each other are common to the trade, what has the plaintiff make out? He must make out not that the defendant's are like his by reason of those features which are common to them and other people, but he must make out that the defendant's are like by reason of something peculiar to him, and by reason of the defendant having adopted some mark, or device, or label, or something of that kind, which distinguishes the plaintiff's from other goods which have, like his, the features common to the trade. (This decision was affirmed by the House of Lords in [1901] AC 308.)

Applying these principles, it is my finding that there was no misrepresentation by the defendant, for several reasons.

[75] Firstly, given the prominence to which the plaintiffs accord to the yellow jerrycans, I find that the switch by the defendant from the use of the blue jerrycan to the use of the yellow jerrycan would not constitute a misrepresentation by the defendant. This is mainly because the plaintiffs had not established they had goodwill and reputation in the use of the yellow jerrycan for their SIKA products, including the SIKALATEX 118 product and that yellow jerrycans are commonly used in the market. Thus, whatever the defendant's reasons for that switch, and the different features of the respective jerrycans (design, contour, shape, structure, and placement or prominence of red cap) are irrelevant. For the sake of argument, if these features of the jerrycans themselves were relevant, then in my view, the imperfect recollection of the regular customer would have meant that they would not be able to differentiate between them.

[76] Secondly, in my view, there are obvious differences to the labels respectively used by the plaintiffs and the defendant on their jerrycans that make for sufficient differentiation between them so as to avoid any confusion:

(i) the respective jerrycans prominently display and carry the plaintiffs' and the defendant's labels with brand name and house-mark. Both are established brand names. Their respective house-marks look like this:

(ii) with those brands comes a certain assurance of quality, and brand and quality would to the consumer mean that they would not be surprised to expect these products to be slightly pricier compared to the lesser brands. Thus, the consumer looking for either brand in particular would be slightly discerning and know and be able to appreciate the difference.

(iii) the colour schemes of the plaintiffs' and the defendant's labels with their respective brand name and logo/house-mark are also decidedly different; the plaintiffs' are light blue and white, and the defendant's different shades of green;

(iv) the shapes of the labels are decidedly different;

(v) the get-up and content within their labels are different; and

(vi) the word/letter/number which stands out from afar on the plaintiffs' label is "118". On the defendant's, it is "Nippon Paint" and "LATEX 118".

[77] Thirdly, the use by the defendant of "LATEX 118" is not a misrepresentation for "SikaLatex 118". The plaintiffs' do not employ the number 118 in any of their other products, and evidence was led of the use by other manufacturers of like-products of that number for their own products. Thus, the plaintiffs do not have a monopoly of that number and it is a number common to the trade. In that regard, I accept DW1's explanation that the number 118 in Chinese means "prosperous everyday", which therefore should be freely available for use.

[78] Further, the plaintiffs do not use the term "Latex 118" on its own, but always as "SikaLatex 118", thus making it immediately and directly identifiable with its brand "SIKA". On its label, the defendant's "Latex 118" is immediately and directly identifiable with its own Nippon Paints brand.

[79] The word "latex" is also a descriptive term over which the plaintiffs should not be able to claim any exclusivity or monopoly.

[80] In conclusion, I find that there was no misrepresentation by the defendant.

Damages

[81] In *Yong Sze Fun & Anor v. Syarikat Zamani Hj Tamin Sdn Bhd & Anor* [2011] CLJU 1307; [2011] 1 LNS 1307; [2012] 1 MLJ 585, Abdul Malik Ishak JCA said:

> The law is settled. Actual damage need not be proven. It is sufficient to show a probability of damage. In this regard, the case of *HP Bulmer Ltd and Showerings Ltd v. J Bollinger SA and Champagne Lanson Pere Et Fils* [1978] RPC 79 immediately comes to the forefront. There, Buckley LJ had this to say at p 95 of the report:
>
> > It is well settled that a plaintiff in a passing off action does not have to prove that he has actually suffered damage by loss of business or in any other way. A probability of damage is enough, but the actual or probable damage must be damage to him in his trade or business, that is to say, damage to his goodwill in respect of that trade or business. 'Goodwill' is a word of wide import.

Conclusion (Passing Off)

[82] Based on the evidence, I therefore find that, on the balance of probabilities, the plaintiffs have failed to prove passing off against the defendant, and I therefore dismiss their claim for passing off with costs, subject to the allocatur.

Copyright Infringement

[83] The plaintiffs are claiming copyright in:

A (i) the product description, "Water Resistant Polymer Bonding Agent and Mortar-Strengthening Additive" ("plaintiffs' product description"); and

(ii) the product data sheet ("plaintiffs' PDS").

(Collectively, "plaintiffs' works").

B **[84]** The plaintiffs allege that the plaintiffs' works are infringed by the product description ("defendant's product description") and the technical data sheet ("defendant's TDS") (collectively, "defendant's works") labelled on the defendant's product.

C **[85]** Determining the plaintiffs' claim for copyright infringement against the defendant involves a two-stage process, namely:

(i) whether copyright subsists in the plaintiffs' works; and

(ii) if so, whether the defendant's works infringe the copyright of the plaintiffs' works.

D *Whether Copyright Subsists In The Plaintiffs' Works*

[86] Under s. 7(1)(a) of the Copyright Act 1987 ("CA") literary works "shall be eligible for copyright".

[87] Under s. 3 of the CA:

E literary work includes:

(a) novels, stories, books, pamphlets, manuscripts, poetical works and other writings;

[88] Section 7(3)(a) of the CA provides:

F A literary, musical or artistic work shall not be eligible for copyright unless … sufficient effort has been expended to make the work original in character.

[89] In *YKL Engineering Sdn Bhd v. Sungei Kahang Palm Oil Sdn Bhd & Anor* [2022] 8 CLJ 32, Rohana Yusuf PCA referred to these provisions and said:

G It can be summed up from the provisions above that, for copyright to subsist, the work must be: (i) original; (ii) complies with the requirement as to form; (iii) belongs to one of the categories of protected works; and (iv) complies with the qualifications for copyright. Once these requirements are fulfilled, a work is protected irrespective of quality and
H the purpose for which it was created (see Khaw Lake Tee and Tay Pek San, Khaw on *Copyright Law in Malaysia*, (4th edn, Lexis Nexis 2017) p. 33).

[90] Starting with the obvious one (which the parties do not dispute), I find that the plaintiffs' product description and the plaintiffs' PDS are literary
I works and are therefore eligible for copyright on that score.

Whether Sufficient Effort Has Been Expended To Make The Plaintiffs' Works Original In Character

[91] In *Kiwi Brands (Malaysia) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 2 CLJ Supp 194; [1998] 6 MLJ 38, Abdul Malik Ishak J said:

> The word 'original' that appears in s. 7(3)(a) of the Copyright Act 1987 does not mean that the work must be the expression of original or inventive thought. I am of the considered view that the originality which is required relates to the expression of the thought; it does not require that the expression must be in an original or even novel form. The work must not be copied from another work. It should originate from the author. Lord Reid in *Ladbroke (Football) Ltd v. William Hill (Football) Ltd* [1964] 1 WLR 273 at pp. 277-278 in lucid terms said:
>
> > What is the precise amount of the knowledge, labour, judgment or literary skill or taste, which the author of any book must bestow in order to acquire copyright, cannot be defined in precise terms. In every case, it must depend largely on the special facts of that case, and must in each case, be very much a question of degree.
>
> It is a correct statement of the law to say and I so say that no originality of thought is needed to sustain a claim to copyright. Under the prevailing copyright law, ideas are not protected. The skill and labour needed to give any given idea some particular material form, and it is that form in which the work is presented that is protected by copyright. It is this kind of originality in which the author can claim to be his own work that is protected under the copyright law.

[92] In *Dura-Mine Sdn Bhd v. Elster Metering Ltd & Anor* [2015] 1 CLJ 887, Jeffrey Tan FCJ said:

> Section 7(3)(a) of the Act provides that 'a literary, musical or artistic work shall not be eligible for copyright unless sufficient effort has been expended to make the work original in character'. But originality in this context means the same as before 1987, that is, that while the artistic work must be original, yet originality in the context of copyright does not mean that the work must be in an original or novel form. To be original, the work must originate from the author (see the celebrated case of *University of London Press Ltd v. University Tutorial Press Ltd* [1916] 2 Ch 601, where Pearson J said: 'The originality which is required relates to the expression of the thought. But the (Copyright) Act does not require that the expression must be in an original or novel form, but that the work must not be copied from another work – that it should originate from the author', which enunciation was followed by a host of cases, including in the local jurisdiction, *Kiwi Brands (M) Sdn Bhd v. Multiview Enterprises Sdn Bhd* [1998] 6 MLJ 38 and *Lam Soon (M) Bhd v. Forward Supreme Sdn Bhd & Ors* [2001] 6 MLJ 651, amongst many others). 'The copyright laws do not require that a work should be unprecedented, that is, new in comparison with already existing works. This stands in contrast with some other branches of the law of intellectual property. A patent is bad if the

A invention was not new, or was obvious, having regard to what was already known or used when protection was applied for. The same is true of a registered design. A copyright, however, is good provided a sufficient amount of the work was originated by the author independently, even if some other person had already produced an identical piece by sheer coincidence.'

B **[93]** The plaintiffs' product description consists of the following nine words:

Water Resistant Polymer Bonding Agent and Mortar-Strengthening Additive

C **[94]** Thus, the plaintiffs' product is a bonding agent of polymer, is water resistant, and also serves as a mortar-strengthening additive.

[95] At the trial, the plaintiffs' third witness, Pierre-Aime Favre (PW3), testified that he and two other employees had authored the plaintiffs' works. I accept that evidence.

D **[96]** I note that the defendant's product description has the same nine words as the plaintiffs' product description, and that none of the other similar products manufactured by other manufacturers under other brand names that the defendant led evidence of at the trial did. They came very close, though:

E (i) Perfekt's Latex 118 product is described in eight words as "Water-Resistant Bonding Agent and Mortar-Strengthening Additive", thus *sans* the word "polymer";

(ii) Pentens' Ecoproof Eco Latex 118 is also described as "Water-Resistant Bonding Agent and Mortar-Strengthening Additive", also without the
F word "polymer";

(iii) ProZ's Pro Latex Z188 is also described as "Water Resistance Bonding Agent & Mortar Strengthening Additive";

(iv) Obaproof's Latex 188 is described as "Water-Resistant Bonding Agent
G and Mortar-Strengthening Additive" also without the word "polymer"; and

(v) MAPEI's Palalatex 117 and Palalatex 119 are both similarly described as "Water-resistant, latex additive for bonding slurries and for improving mortar mixes".

H **[97]** Though the only word which none of those other similar products use is "polymer", the rest were shown to be commonly used.

[98] In my view, the plaintiffs' product description is not original in character for the following reasons:

I

(i) all of the words in the plaintiffs' product description – including polymer – are generic words widely and commonly used to describe polymer emulsion products;

(ii) the evidence of some of those other products using eight of the nine words used in the plaintiffs' product descriptions are common; and

(iii) surely PW3 and his two colleagues would not have expended sufficient effort, skill and labour in concocting or arranging sequencing and those nine words that make up the plaintiffs' product description.

[99] I therefore find that the plaintiffs' product description is not original in character. It necessarily follows that there was no copyright infringement in the defendant's use of the defendant's product description.

[100] However, in my view the plaintiffs' PDS stands on a different footing and is original in character. This is what it looks like:

DESCRIPTION

SikaLatex®-118 is a synthetic polymer emulsion for adding to cement mortars, where good adhesion and water resistance are required. It is suitable for tropical conditions.

USES

SikaLatex®-118 is a high quality emulsion that substantially increases the qualities of cement mortars such as:

- Thin layer patching mortars
- Renders
- Floor screeds
- Concrete repair mortars
- Abrasion resistant linings
- Tile fixing mortars
- Masonry mortars

CHARACTERISTICS/ADVANTAGES

- Extremely good adhesion
- Reduced shrinkage
- Excellent water resistance
- Increased abrasion resistance
- Improved chemical resistance
- Non-corrosive
- Ready for use

PRODUCT INFORMATION	
Composition	Polymer emulsion
Packaging	– 4 litre pail – 18 litre pail
Appearance/Colour	Milky white liquid
Shelf Life	12 months from the date of production
Storage Conditions	Store properly in original, unopened and undamaged packaging in dry conditions. Protect from direct sunlight.
Density	1.00 kg per litre ± 0.01
Total Chloride Ion Content	Nil

[101] I agree with the submissions of learned counsel for the plaintiffs and find that the plaintiffs' PDS serves as a guide for users of the plaintiffs' product. It contains a compilation of information about the plaintiffs' product, the advantages of the plaintiffs' product and instructions on how to use the plaintiffs' product, in a specific typographical arrangement.

[102] I also find that PW3 and his two colleagues would have expended sufficient effort, skill and labour in drafting the plaintiffs' PDS in a clear, concise, and user-friendly manner. At the same time, I observed that it also provided comprehensive technical details and safety warnings, to ensure the product is use in a proper manner as intended. I can well imagine that the process of selecting, compiling, drafting and arranging all of that data and information would have involved a great deal of work and effort.

[103] I therefore find that the plaintiffs' PDS is original in character. It necessarily follows that the next step would be to assess and determine whether the defendant's use of the defendant's TDS infringed the plaintiffs' copyright in the plaintiffs' PDS.

[104] Section 36(1) of the CA provides:

> Copyright is infringed by any person who does or causes any other person to do, without the license of the owner of the copyright, an act the doing of which is controlled by copyright under this Act.

[105] Section 36(2) of CA provides:

> Copyright is infringed by any person who, without the consent or license of the owner of the copyright, imports an article into Malaysia for the purpose of:
>
> (a) selling, letting for hire, or by way of trade, offering or exposing for sale or hire, the article;

(b) distributing the article:

(i) for the purpose of trade; or

(ii) for any other purpose to an extent that it will affect prejudicially the owner of the copyright; or

(c) by way of trade, exhibiting the article in public,

where he knows or ought reasonably to know that the making of the article was carried out without the consent or license of the owner of the copyright.

[106] In *Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (No 2)* [2009] 8 CLJ 130; [2009] 3 MLJ 525, Low Hop Bing J said:

For purposes of direct infringement, it must be established that:

(a) there is sufficient objective similarity between the original work or a substantial part thereof, and the infringing copy;

(b) there is a causal connection between the original work and the infringing copy, that is, the infringing copy must have been copied from the original work, whether directly or indirectly; and

(c) what has been infringed must constitute a Substantial Part of The Original Work.

[107] The case of *Mohd Syamsul Md Yusof & Ors v. Elias Idris* [2019] 7 CLJ 560; [2019] 4 MLJ 788, involved an allegation by the respondent that the appellants had breached his copyright in his book by the movie they made and produced. In paras. [17], [21], [22], [23], [24] and [27] of the judgment, Ramly Ali FCJ said:

The degree of objective similarity must be substantial. Once element (i) is established, on the balance of probabilities, the burden is shifted to the alleged infringer to refute by evidence, also on the balance of probabilities, that there was no copying but independent creation, despite the similarity.

In an action for an infringement of copyright, as in the present case, the court must first identify those features of the defendants' movie that the plaintiff alleged to have been copied from his novel. The court undertakes full comparison of the two works, noting the similarities and the differences. This is to determine whether the particular similarities relied on by the plaintiff are sufficiently close, numerous or extensive to be more likely to be the result of copying than of coincidence. It is at this stage that similarities may be disregarded because they are commonplace, unoriginal or consist of general ideas.

The question as to whether the defendant has copied the plaintiff's work can generally and effectively be answered merely by a comparison of the two works in respect of all essential or features. Here, a useful test of copying is that the similarities of the features, come so near to the original

A as to suggest that the features in the infringing work are the original to the mind of every person seeing it. Whether or not there has been an infringement must be a matter of degree, depending on the facts and circumstances of the case. As precisely said by Upjohn LJ in *Francis Day*, 'this is really a question of fact and nothing else which depends on the circumstances of each case'.

B The first question to be asked by the court is whether in fact the alleged infringing work is similar or substantially similar to the copyright work. The next question is whether has the defendants copied the plaintiff's work or is it an independent work of his own. The degree of objective similarity in each case needs to be evaluated from the evidence to C determine the issue.

The degree of objective similarity is, of course, not merely important, indeed essential, in proving the first element in infringement, namely, that the defendant's work can properly be described as a reproduction or adaptation of the copyright work; it is also very cogent material from D which to draw the inference that the defendant has in fact copied, whether consciously or unconsciously, the copyright work (per Diplock LJ in *Francis Day & Hunter* at p 627; see also: *Stesin Pty Ltd v. Johnson* (1994) 29 IPR 461).

In order to effectively determine the above elements (particularly elements (a) and (c)), legal authorities point to the requirement that it is the duty E of the court to examine and evaluate, on evidence, the distinct materials and features of both works in question. Only with such examination and evaluation, the court will be able to make a good comparison to determine the similarities and differences between the two works. Such examination and evaluation must be done on the evidence adduced in court, either in the form of oral testimonies or documents, but not merely on the F statement of claim or pleadings (as the statement of claim and pleadings are not evidence, thus cannot establish any factual proof).

[108] Below are the plaintiffs' PDS and the defendant's TDS side by side, and the shaded parts represent the parts that are identically used.

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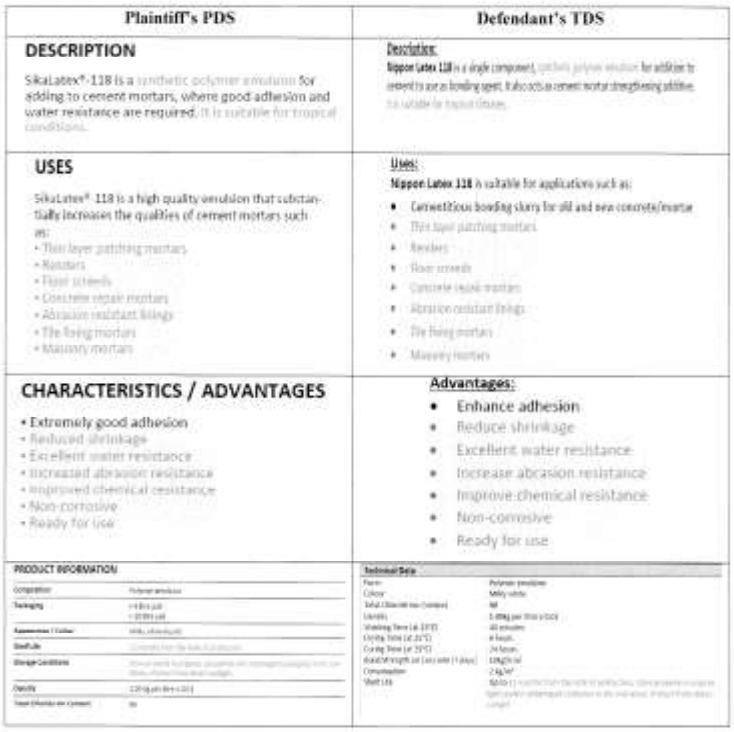

Plaintiff's PDS	Defendant's TDS
DESCRIPTION SikaLatex®-118 is a synthetic polymer emulsion for adding to cement mortars, where good adhesion and water resistance are required. It is suitable for tropical conditions.	Description: Nippon Latex 118 is a single component, synthetic polymer emulsion for addition to cement to use as bonding agent. It also acts as cement mortar strengthening additive. It is suitable for tropical climate.
USES SikaLatex® 118 is a high quality emulsion that substantially increases the qualities of cement mortars such as: • Thin layer patching mortars • Renders • Floor screeds • Concrete repair mortars • Abrasion resistant linings • Tile fixing mortars • Masonry mortars	Uses: Nippon Latex 118 is suitable for applications such as: • Cementitious bonding slurry for old and new concrete/mortar • Thin layer patching mortars • Renders • Floor screeds • Concrete repair mortars • Abrasion resistant linings • Tile fixing mortars • Masonry mortars
CHARACTERISTICS / ADVANTAGES • Extremely good adhesion • Reduced shrinkage • Excellent water resistance • Increased abrasion resistance • Improved chemical resistance • Non-corrosive • Ready for use	Advantages: • Enhance adhesion • Reduce shrinkage • Excellent water resistance • Increase abcasion resistance • Improve chemical resistance • Non-corrosive • Ready for use
PRODUCT INFORMATION	Technical Data

[109] Those shaded parts show the striking similarities between the two. In my view, the shaded parts alone show a substantial degree of objective similarity. In particular, save for the first bullet point in "Uses" and "Advantages" in the defendant's TDS, the rest are other items in both are not only (almost) identical to that in the plaintiffs' PDS but also in the exact same order. Six items in two categories – 12 in all – placed in the exact same order does not require the considered opinion of an actuary to confirm the mathematical probability that it was not sheer coincidence.

[110] I also observe that the product information in the plaintiffs' PDS has also more or less been included in the defendant's TDS under the heading "Technical Data", to the degree that I find that there have merely been tweaks in the wordings and order adopted in the defendant's TDS to come across as attempting to be different from the same subject matter in the plaintiffs' PDS.

[111] On the balance of probabilities, I find that the degree of objective similarity between the plaintiffs' PDS and the defendant's TDS is substantial. Having so found, the burden then shifted to the defendant to refute by evidence, also on the balance of probabilities, that there was no copying but independent creation, despite the similarity.

[112] I find that the defendant has failed to discharge that burden. There was insufficient evidence (if at all) that the content of the defendant's TDS is novel or striking or is merely a commonplace arrangement of ordinary words or well-known data. The defendant's focus was predominantly on the alleged differences, with no back-up position. It also did not adduce the product data of the same product of any of those other manufacturers that I mentioned earlier to suggest that the information in the defendant's TDS was a commonplace arrangement of ordinary words or well-known data.

Conclusion (Copyright Infringement)

[113] I accordingly find that the defendant's TDS (and not the defendant's product data) infringes the plaintiffs' copyright in the plaintiffs' PDS. This part of the claim for copyright infringement is therefore allowed with costs, subject to allocatur.

Unlawful Interference With Trade

[114] In *H & R Johnson (Malaysia) Bhd v. H & R Johnson Tiles Limited & Anor* [1995] 2 CLJ 581, Zakaria Yatim J (as he then was) said:

> If one person deliberately interferes with the trade or business of another, and does so by unlawful means, that is, by an act which he is not at liberty to commit, then he is acting unlawfully, even though he does not procure or induce any actual breach of contract: *Torquay Hotel Co Ltd v. Cousins & Ors* [1969] 2 Ch 106, 139 per Lord Denning MR.

[115] In *Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (No 2)* [2009] 8 CLJ 130; [2009] 3 MLJ 525, Low Hop Bing J identified the four ingredients for establishing unlawful interference with trade as being:

(i) interference with the plaintiff's trade or business;

(ii) unlawful means;

(iii) intention to injure the plaintiff; and

(iv) the plaintiff is injured thereby.

[116] In the Court of Appeal decision in the *Skyworld Development Sdn Bhd & Anor v. Skyworld Holdings Sdn Bhd & Ors* [2020] CLJU 48; [2020] 1 LNS 48; [2020] 3 MLJ 294, Kamaludin Md Said JCA said:

> We agreed with the plaintiffs' submission that once the plaintiffs have established their claim(s) for trade mark infringement and/or passing off, it is a natural consequence that the tort of unlawful interference with trade will also be made out (*Hew Chai Seng (t/a Pertiland Trading Co) v. Metronic Integrated System Sdn Bhd & Anor* [2017] 7 MLJ 1 at p 15 (para 45)). The High Court has referred to the case of *Megnaway Enterprise Sdn Bhd v. Soon Lian Hock (sole proprietor of the firm Performance Audio & Car Accessories Enterprise* [2009] 3 MLJ 525; 8 CLJ 130 which held that there was copyright infringement by the defendant and hence there is unlawful

> interference with trade and business. The corporate defendants' intention is not relevant in cases where trade mark infringement and passing off is involved (*Excelsior Pte Ltd v. Excelsior Sport (S) Pte Ltd* [1986] 1 MLJ 130).

Plaintiffs' Claim Against The Defendant For Unlawful Interference With Trade

[117] The plaintiffs' claim is that the defendant has unlawfully interfered with their trade because the defendant has infringed the first plaintiff's trademark, has passed off its LATEX 118 as being theirs, and has infringed their copyright in the product description and the product data sheet.

[118] As I have found that, of those claims, the defendant has only infringed the copyright in the plaintiffs' PDS, in my view, that alone would not constitute unlawful interference with trade.

[119] I am aware that, in *Megnaway Enterprise*, Low Hop Bing J had made a finding of unlawful interference with trade by the defendant upon finding that the defendant had infringed the plaintiff's copyright. However, my view is that it was on the facts of that case that the court found that copyright infringement also amounted to unlawful interference with trade.

[120] In *Megnaway Enterprise*, since 1991 the plaintiff had manufactured and distributed an anti-car theft system made specifically for Proton and Perodua cars, under the trademark 'theft-pro'. The defendant, a sole proprietor of a car-accessories business, had distributed, offered for sale and sold metal components of an anti-theft system under the trademark 'safety-first anti-car theft system'. It was in finding that those metal components that the defendant traded in were reproductions of the whole work or substantial reproductions of the plaintiff's artistic work in the drawings of the metal components in Malaysia without the plaintiff's licence or consent that Low Hop Bing J also held that that copyright also constituted the defendant's interference with the plaintiff's trade.

[121] It is also worth noting that, in *Megnaway Enterprise*, the plaintiff's claims were only two, namely copyright infringement and unlawful interference with trade. The court had found the defendant wholly liable for the plaintiff's action for copyright infringement. Thus, the further finding of unlawful interference with the plaintiff's trade was understandable and reasonable and was not extraordinary. It was also in the application of the principles of the prerequisites for establishing unlawful interference with the plaintiffs' trade. I believe that is borne out by what Low Hop Bing said in paras. [50] to [53] of his judgment:

> By selling, offering for sale and distributing an anti-theft system which is infringing the plaintiff's copyright, the defendant has interfered with the plaintiff's trade. The unlawful means employed here is the act of selling, offering for sale and distributing an infringing copy of the plaintiff's anti-theft system.

A As a result of the defendant's unlawful interference with the plaintiff's trade, the plaintiff's goodwill and reputation have been injured with direct and indirect negative consequence on the plaintiff's sales.

In the circumstances, I find that the defendant is liable to the plaintiff for the tort of unlawful interference with the plaintiff's trade or business.

B **[122]** Here, my finding of copyright infringement was solely in the plaintiffs' product data sheet. I did not find the defendant liable to the plaintiffs for trademark infringement, or for passing off, or for copyright infringement of the plaintiffs' product description. All of these facts and circumstances considered, in the whole scheme of things, I find that copyright infringement C of the plaintiffs' product data sheet alone did not constitute unlawful interference in the plaintiffs' trade. I am further mindful that to have so decided might have set a precedent that any copyright infringement would automatically constitute unlawful interference in the plaintiffs' trade, when the ingredients for each tort are different and have to be considered D separately.

[123] In view of my findings that the plaintiffs have failed to establish their claims against all three defendants for trademark infringement, passing off, and copyright infringement of the plaintiffs' product description, I therefore find that the plaintiffs have thereby failed to establish their claim against the E defendant for unlawful interference with trade, and therefore dismiss this claim with costs, subject to allocatur.

Defendant's Claim Against The Plaintiffs For Unlawful Interference In Trade

[124] The defendant's claim against the plaintiffs for unlawful interference F in trade can be summarised as follows:

(i) the plaintiffs lodged a complaint with the e-commerce platform, Shopee, resulting in the temporary suspension of listings advertising the defendant's NPM Latex 118 products on Shopee's e-commerce platform, which have since been reinstated;

G (ii) lodging that complaint with Shopee was unlawful because the plaintiffs' allegations of infringement of their intellectual property rights were unfounded;

(iii) the plaintiffs had also not first obtained either a court order declaring the H defendant's infringement of their intellectual property rights for the pleaded causes of actions and/or an interim injunction restraining the defendant from selling the defendant's product until the disposal of this case; and

(iv) thus, in lodging that complaint with Shopee, the plaintiffs had acted I prematurely, in bad faith and with malicious intent to restrict the defendant's trade.

[125] In my view, the defendant's counterclaim against the plaintiff for unlawful interference with trade also fails. Lodging that complaint with Shopee was in itself not unlawful or an unlawful means, and ultimately, it was Shopee that decided to suspend the advertisement of listings advertising the defendant's NPM Latex 118 products on its e-commerce platform, and then reinstate them.

[126] Further, there was no obligation in law for the plaintiffs to have first obtained either a court order declaring the defendant's infringement of their intellectual property rights and/or an interim injunction restraining the defendant from selling the defendant's product before lodging a complaint with Shopee. The listings appeared on the Shopee e-commerce platform, the plaintiffs wrote to the party owning and managing that platform, and Shopee acted on the plaintiffs' complaint on its own accord and discretion.

[127] Again, to have decided that lodging a complaint with Shopee (or any other e-commerce platform for that matter) was in itself an unlawful interference with trade might set a precedent that any such act would automatically constitute unlawful interference with the trade, when the act complained of still has to be measured according to the ingredients of that tort.

[128] I therefore find that the defendant has failed to establish its counterclaim against the plaintiffs for unlawful interference with trade, and therefore dismiss it with costs, subject to allocatur.

Conclusion

[129] Both claim and counterclaim for unlawful interference with trade are dismissed with costs, subject to allocatur.

Middle Ground: Peaceful Co-existence Of The SIKALATEX Mark, The SIKALATEX 118 Mark, And The Defendant's Latex 118 Mark

[130] The defendant suggested that, instead of deciding this action or any of the claims in favour of either party, the court should in this case declare and allow both the plaintiffs' SIKALATEX and/or SIKALATEX 118 mark and the defendant's "LATEX 118" sign to co-exist "in the open Malaysian economy that thrives on free and fair trade". The defendant takes this cue from statements made in the grounds of judgment of two High Court decisions.

[131] The first is *Skyworld Development Sdn Bhd & Anor v. Skyworld Holdings Sdn Bhd & Ors* [2019] CLJU 157; [2019] 1 LNS 157; [2019] 9 MLJ 137, in which Lim Chong Fong J (now JCA) said (in para. [54] of the judgment):

> In a nutshell, I think this is a case where there should be concurrent use of trade name in the open Malaysian economy that thrives on free and fair trade.

[132] The second is *Consitex SA v. TCL Marketing Sdn Bhd* [2008] 8 CLJ 444; [2008] 3 MLJ 574, in which Ramly Ali said (in para. [33](b) of the judgment):

> the defendant's mark Emmer Zecna and the plaintiff's mark only have one identical syllable which is the syllable 'NA' in the suffix of both marks. Overall, the marks sound very different, with the plaintiff's mark being more difficult to pronounce. Even if there are any similarities, it is not sufficient to cause an action in trademark infringement. Compare the co-existence of COCA-COLA and PEPSI-COLA for carbonated drinks, NESCAFE and ALICAFE for coffee, POWER and SUPERPOWER for shoes, adax and DAKS for clothing in Malaysia.

[133] The defendant suggests this outcome because it contends that the defendant has been using the LATEX 118 sign for its trade in good faith and in an honest manner, and has not, never and does not intend to interfere with the plaintiffs' trade.

[134] Unfortunately, it is a suggestion I have to decline. Interesting and tempting the suggestion may be, the court in its adjudicative role decides disputes, and does not play peacekeeper. To assuage any doubts, despite those expressions of hope for detente in those two judgments, Justices Lim Chong Fong and Ramly still proceeded to decide the claims brought on their merits.

Summary Of Findings And Conclusions

[135] The summary of my findings is as follows:

(i) Trademark No. 2018051675 should not be invalidated, and the defendant's counterclaim to invalidate it is dismissed with costs, subject to allocatur;

(ii) the defendant is not infringing Trademark No. 2018051675 by the use of its LATEX 118 mark, and the first plaintiff's claim for trademark infringement is dismissed with costs, subject to allocatur;

(iii) the defendant is not committing passing off of the plaintiffs' "SIKALATEX 118" mark by the use of its LATEX 118 mark, and the plaintiff's claim for passing off is dismissed with costs, subject to allocatur;

(iv) the defendant is not infringing the plaintiffs' copyright in the plaintiffs' product description, and the plaintiffs' claim for infringement of the plaintiffs' product description is dismissed with costs, subject to allocatur;

(v) the defendant is infringing the plaintiffs' copyright in the plaintiffs' product data, and the plaintiffs' claim for infringement of the plaintiffs' product data is allowed with costs, subject to allocatur;

(vi) the parties are not interfering with each other's trade, and the plaintiffs' claim and the defendant's counterclaim for unlawful interference with trade are dismissed with costs, subject to allocatur.

Relief/Orders/Costs

[136] Ultimately, the only claim upon which I found either party liable to the other was that the defendant was liable to the plaintiffs' for copyright infringement of the plaintiffs' product data sheet.

[137] The relief I ordered for this is as follows:

(i) a declaration that the defendant has infringed the plaintiffs' copyright in the plaintiffs' product data sheet;

(ii) an injunction to restrain the defendant whether by itself, its directors, officers, servants, agents, affiliates or subsidiaries or any of them jointly or severally howsoever from infringing or authorising others to infringe the plaintiffs' copyright in the plaintiffs' product data sheet;

(iii) an inquiry into damages (if any) from the defendant's infringement of the plaintiffs' copyright in the plaintiffs' product data sheet; and

(iv) interest at the rate of 5% per annum on all damages assessed (if any) at the rate of 5% per annum from the date of this action until realisation.

Costs

[138] In their written submissions, the plaintiffs sought costs of RM250,000, obviously for successful claims for trademark infringement, passing off, copyright infringement and unlawful interference with trade and successfully fending off the defendant's counterclaims for trademark invalidation and unlawful interference with trade. The plaintiffs justify that amount by advancing several grounds, which I have summarised as:

(i) the involvement of senior and prominent IP practitioners;

(ii) the substantial amount of substantive work undertaken, including in the interlocutory stage, the meticulous preparation for trial and in the conduct of the trial over three days;

(iii) the substantial amount of substantive work undertaken, post-trial, including in the meticulous preparation of comprehensive written submissions;

(iv) the voluminous documents prepared and perused;

(v) the importance of the matter to the parties; and

(vi) previous decisions on costs by this court.

[139] In its written submissions, the defendant seeks RM100,000 as costs, claims for defending itself against the plaintiffs' claims for trademark infringement, passing off, copyright infringement and unlawful interference with trade and successfully prosecuting its counterclaims for trademark invalidation and unlawful interference with trade.

[140] Assigning to each of the seven claims and counterclaims one point for a 'win' and zero for a 'loss', by my reckoning, the scoreboard at full time (90 minutes plus time added on for stoppages and VAR checks) looks like this:

Claim	Plaintiffs	Defendant
Trademark invalidation	1	0
Trademark infringement	0	1
Passing off	0	1
Copyright infringement (Product Description)	0	1
Copyright infringement (Product Data Sheet)	1	0
Unlawful interference with trade (Plaintiff)	0	1
Unlawful interference with trade (Defendant)	1	0
Total:	**3**	**4**

[141] As the 'final score' is one in favour of the defendant, I will take the plaintiffs' estimation of RM250,000 as the basis for ordering costs. My reasoning is that, if the 'losing' party believes that that is the costs it should have received had it won, then the 'winning' party should get that costs too. After all, senior and prominent IP practitioners also represented the defendant, and the other criteria and grounds the plaintiffs espoused applied equally to the defendant. The idiom putting a goose and a gander on equal footing comes to mind.

[142] Applying that basis, I ordered the plaintiffs to collectively pay to the defendant costs of RM36,000 subject to allocatur (*ie*, a seventh of RM250,000 rounded-up, I make this order in the defendant's favour against the plaintiffs even though they were successful in one of its claims for copyright infringement, because they were not successful in all of their other claims.

[143] There is one other matter which needs to be addressed, and I am grateful to counsel for bringing it to my attention. Over two years ago on 16 August 2022, on the plaintiffs' application, this court had made the following order:

IT IS HEREBY ORDERED that:

(a) the Defendant shall, on or before the 10th day of each quarter, namely, every 3 months commencing from 10.10.2022 until the disposal of this action (Enclosure 1), make and serve on the Plaintiffs' solicitors an affidavit containing records of the Defendant's gross monthly sales and accounts of profits from the sale of the Defendant's "Latex 118" products. The first affidavit shall consist of records of the Defendant's gross monthly sales and account of profits from the sale of the Defendant's "Latex 118" products from 10.10.2022 to 10.01.2023; and

(b) the Defendant's said sales accounts and the records of the Defendant's gross monthly sales and accounts of profits from the sale of the Defendant's "Latex 118" products shall strictly be used for the purpose of this suit only.

[144] As that order was stated specifically to be "until the disposal of this action", and that this judgment does that, I now make a further order discharging that order made on 16 August 2022.

[145] I end this judgment with high regard and appreciation to both parties for a well and orderly conducted case trial case, in no small measure due to learned senior counsel who impeccably led each team of solicitors that ably represented the parties.